



NEWS RELEASE



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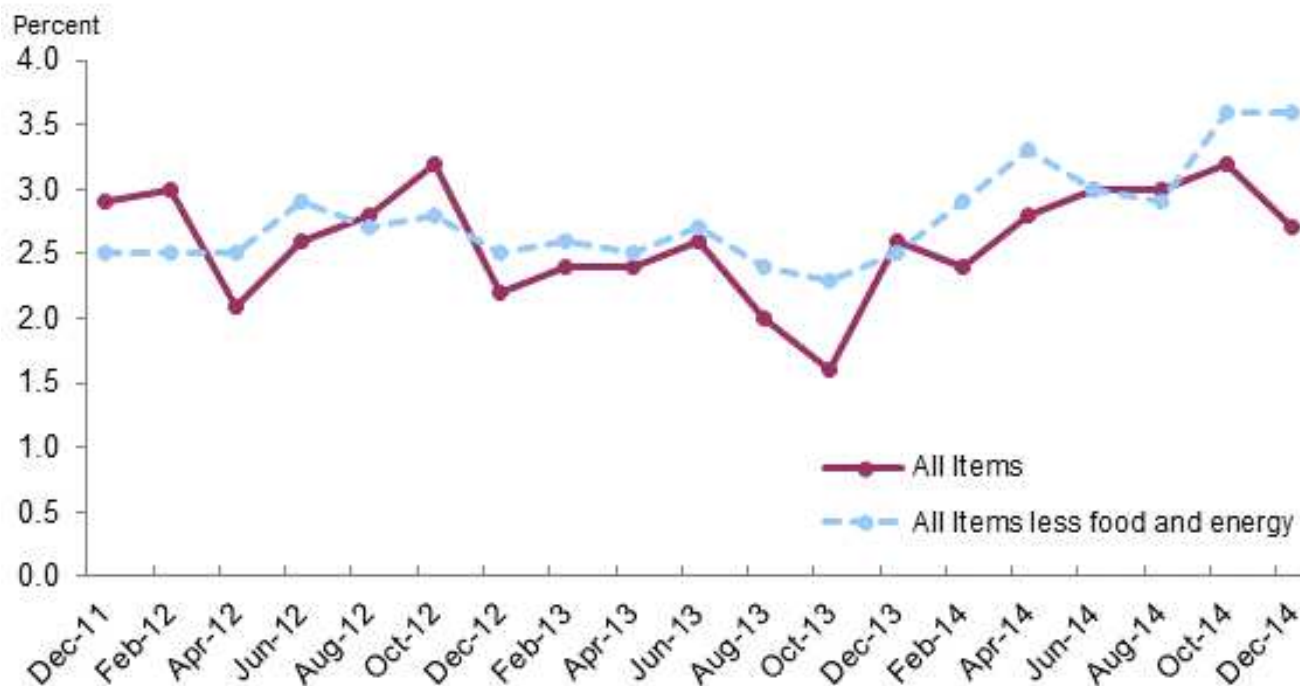
Consumer Price Index, San Francisco Area - December 2014

Area prices were down 0.9 percent over the past two months, up 2.7 percent from a year ago

Prices in the greater San Francisco area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.9 percent for the two months ending December 2014, the U.S. Bureau of Labor Statistics reported today. (See [table A.](#)) Regional Commissioner Richard J. Holden noted that the December decrease was influenced by lower prices for gasoline and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 2.7 percent. (See [chart 1.](#)) Energy prices fell 11.8 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 3.6 percent since December 2013.

Chart 1. Over-the-year percent change in CPI-U, San Francisco, December 2011–December 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were unchanged from October to December. (See [table 1](#).) Prices for food at home decreased 0.5 percent, while prices for food away from home increased 0.5 percent for the same period.

Over the year, food prices rose 3.2 percent. Prices for food at home advanced 3.8 percent since a year ago, and prices for food away from home moved up 2.5 percent.

Energy

The energy index dropped 13.7 percent for the two months ending in December 2014. The decline was mainly due to lower prices for gasoline (-19.5 percent). Prices for natural gas service decreased 9.2 percent, and prices for electricity decreased 3.8 percent since October.

Energy prices fell 11.8 percent over the year, largely due to lower prices for gasoline (-20.3 percent). Prices paid for electricity moved down 2.9 percent, but prices for natural gas service jumped 21.3 percent during the past year.

All items less food and energy

The index for all items less food and energy edged down 0.1 percent in the latest two month period. Lower prices for apparel (-5.1 percent) and household furnishings and operations (-0.6 percent) were partially offset by higher prices for recreation (0.6 percent), other goods and services (0.5 percent), and shelter (0.3 percent).

Over the year, the index for all items less food and energy advanced 3.6 percent. Components contributing to the increase included shelter (5.4 percent) and recreation (2.7 percent). Partly offsetting

the increases were price declines in education and communication (-1.7 percent) and apparel (-1.0 percent).

Table A. San Francisco-Oakland-San Jose CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

Month	2009		2010		2011		2012		2013		2014	
	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual
February	1.7	1.2	0.8	1.8	1.0	1.7	1.1	3.0	1.3	2.4	1.2	2.4
April	0.8	0.8	0.7	1.7	1.8	2.8	0.9	2.1	0.8	2.4	1.2	2.8
June	0.8	0.2	0.2	1.1	-0.2	2.4	0.3	2.6	0.5	2.6	0.7	3.0
August	0.0	0.2	-0.1	1.0	0.4	2.9	0.6	2.8	0.1	2.0	0.0	3.0
October	0.1	0.1	0.1	0.9	0.3	3.2	0.7	3.2	0.2	1.6	0.5	3.2
December	-0.8	2.6	-0.2	1.5	-0.4	2.9	-1.4	2.2	-0.4	2.6	-0.9	2.7

CPI-W

In December, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 247.680, down 1.1 percent from October. The CPI-W increased 2.1 percent over the year.

The February 2015 Consumer Price Index for the San Francisco-Oakland-San Jose is scheduled to be released on March 24, 2015.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The San Francisco-Oakland-San Jose, CA. metropolitan area covered in this release is comprised of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, San Benito, Santa Clara, Santa Cruz, Sonoma, and Solano Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

For personal assistance or further information on Consumer Price Indexes, as well as other Bureau products, contact the San Francisco Information Office at (415) 625-2270 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. PT.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
Expenditure category						
All items	254.503	-	252.273	2.7	-0.9	-
All items (1967=100).....	782.414	-	775.559	-	-	-
Food and beverages	256.242	-	256.169	3.3	0.0	-
Food	256.300	-	256.200	3.2	0.0	-
Food at home.....	250.231	246.692	249.012	3.8	-0.5	0.9
Food away from home	262.998	-	264.326	2.5	0.5	-
Alcoholic beverages	260.806	-	261.045	4.6	0.1	-
Housing	282.936	-	282.993	5.1	0.0	-
Shelter	318.105	318.562	319.102	5.4	0.3	0.2
Rent of primary residence ⁽¹⁾	355.811	358.557	359.353	6.0	1.0	0.2
Owners' equiv. rent of residences ^{(1) (2)}	342.580	344.211	345.085	5.1	0.7	0.3
Owners' equiv. rent of primary residence ^{(1) (2)}	342.580	344.211	345.085	5.1	0.7	0.3
Fuels and utilities.....	342.101	-	333.605	5.9	-2.5	-
Household energy.....	306.859	287.641	291.068	1.7	-5.1	1.2
Energy services ⁽¹⁾	306.098	286.365	290.175	2.2	-5.2	1.3
Electricity ⁽¹⁾	314.185	302.215	302.215	-2.9	-3.8	0.0
Utility (piped) gas service ⁽¹⁾	279.513	240.362	253.814	21.3	-9.2	5.6
Household furnishings and operations	134.772	-	133.993	1.7	-0.6	-
Apparel.....	117.618	-	111.562	-1.0	-5.1	-
Transportation	196.461	-	184.823	-4.2	-5.9	-
Private transportation	183.551	-	173.298	-5.2	-5.6	-
Motor fuel.....	268.189	242.194	216.165	-20.2	-19.4	-10.7
Gasoline (all types)	266.881	240.847	214.918	-20.3	-19.5	-10.8
Gasoline, unleaded regular ⁽³⁾	267.856	241.440	214.886	-20.7	-19.8	-11.0
Gasoline, unleaded midgrade ^{(3) (4)}	247.580	223.578	200.835	-19.3	-18.9	-10.2
Gasoline, unleaded premium ⁽³⁾	248.619	225.649	202.728	-19.2	-18.5	-10.2
Medical care.....	-	-	-	-	-	-
Recreation ⁽⁵⁾	110.791	-	111.415	2.7	0.6	-
Education and communication ⁽⁵⁾	141.655	-	141.535	-1.7	-0.1	-
Other goods and services	428.608	-	430.593	2.4	0.5	-
Commodity and service group						
All items	254.503	-	252.273	2.7	-0.9	-
Commodities	183.442	-	178.574	-1.1	-2.7	-
Commodities less food & beverages.....	142.793	-	136.135	-4.4	-4.7	-
Nondurables less food & beverages.....	184.555	-	171.969	-5.7	-6.8	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
Durables	102.836	-	101.423	-2.6	-1.4	-
Services	314.144	-	314.120	4.6	0.0	-
Special aggregate indexes						
All items less medical care	246.416	-	243.821	2.4	-1.1	-
All items less shelter	229.746	-	226.038	1.0	-1.6	-
Commodities less food	148.013	-	141.522	-3.9	-4.4	-
Nondurables	221.904	-	215.193	-0.7	-3.0	-
Nondurables less food	190.491	-	178.724	-4.7	-6.2	-
Services less rent of shelter ⁽²⁾	325.352	-	323.957	3.6	-0.4	-
Services less medical care services	305.225	-	304.989	4.5	-0.1	-
Energy	285.743	261.986	246.682	-11.8	-13.7	-5.8
All items less energy	255.937	-	255.604	3.5	-0.1	-
All items less food and energy	256.676	-	256.305	3.6	-0.1	-

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

⁽²⁾ Index is on a December 1982=100 base.

⁽³⁾ Special index based on a substantially smaller sample.

⁽⁴⁾ Indexes on a December 1993=100 base.

⁽⁵⁾ Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.